

SECTION M – EVALUATION FACTORS

M.1 BASIS FOR CONTRACT AWARD

M.1.1 Source Selection Process

This source selection is conducted in accordance with the Federal Aviation Administration's (FAA) Acquisition Management System (AMS). This is a competitive source selection in which competing offerors' Business and Technical Management Approach, and Past Performance history are significantly less important than price considerations. The award will be made on the basis of the lowest evaluated price considering the base and all option periods, in accordance with Section L of this SIR. The award will be made to the responsive and responsible offeror whose proposal is determined to meet the acceptability standards for the non-cost, technical evaluation factors, and Small Business Sub-contracting plan. Accordingly, the trade-off process is not applicable. Technical, non-price evaluation factors will not be ranked. All price proposals will be analyzed for cost realism and/or responsiveness.

The Lowest Price - Technically Acceptable (LPTA) decision will be based on the evaluation of the offeror's Business & Technical Management Proposal, Price Proposal, and Sub-Contracting Plan. The Source Evaluation Team (SET) will individually evaluate, and comparatively assess each of the Business & Technical Management evaluation Factors and submit evaluation results to the Source Evaluation Board (SEB). The SEB will provide recommendations based on evaluation results to the Source Selection Official (SSO) who will make a final award decision in accordance with AMS 3.2.2.3.1.2.5.

While the SET, SEB, and SSO will strive for maximum objectivity, professional judgment is implicit throughout the entire process.

The FAA reserves the right to make an award based on initial submittals. Offerors may be required to provide additional information. Should the FAA not make an award based on initial submittals, the FAA reserves the right to conduct successive round(s) of price negotiations. Successive negotiations may be conducted by way of, but not limited to, "Final Proposal Revision (FPR)" and/or an on-line reverse auction. The FAA reserves the right not to award a contract.

M.1.2 Number of Contracts to be awarded:

The FAA intends to select one contractor for the national SAVES Office Supply contract. The FAA reserves the right not to award a contract.

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M.1.3. Rejection of Unrealistic Offers:

The FAA may reject any proposal that is evaluated to be unrealistic in terms of program requirements, contract terms and conditions, or pricing, when compared to FAA estimates, such that the proposal is deemed to reflect an inherent lack of competence and/or failure to comprehend the complexity and risks of the program.

M.1.4 Correction Potential of Proposals:

The FAA will consider, throughout the evaluation, the “correction potential” of any proposal uncertainty. The judgment of such “correction potential” is within the sole discretion of the FAA. If an aspect of an offeror’s proposal not meeting the FAA’s requirements is not considered correctable, the offeror may be eliminated from further consideration for award.

M.1.5 Downselect Decision

Pursuant to the AMS, the FAA reserves the right to make one or more downselections during this evaluation process. A downselect decision will be limited to those offerors determined to be most likely to receive the award. If at any point during the evaluation process the FAA concludes that an offeror does not have a reasonable chance of receiving this award, the FAA may eliminate that offeror from further consideration for award. Any offeror eliminated from further consideration will be officially notified in writing by the Contracting Officer within five business days after decision is made.

M.1.6 Eligibility for Award

The offeror must be financially viable and otherwise responsible in accordance with the FAA (AMS) guidelines. To be eligible for award, the offeror must be technically and financially capable of performing the magnitude and scope of the work. The offeror’s Small Business and Small Disadvantaged Business Subcontracting Plan must be acceptable (rated “pass”) in order for the offeror to be considered for award.

M.1.7 Successive Price Negotiations

The FAA reserves the right to conduct successive price negotiations. This may be via request for final offer and/or an on-line reverse auction.

M.2 Evaluation Methodology

Technical acceptability will be evaluated on all offers. Only those offers determined to be technically acceptable will be considered for award. Price will then be evaluated and the proposals will be ranked from lowest to highest price

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based on the total evaluated price. Award will be made to the lowest evaluated priced proposal meeting the acceptability standards for the non-cost factors. Lack of adequate documentation in a proposal to support a given factor may result in an “Unacceptable” rating of that factor, i.e., it is not required that the offeror be allowed to submit additional information. On the other hand, the Contracting Officer may seek additional information if the circumstances warrant.

Vendor(s) selection will be based on a two-part process (including price negotiations). Offerors are reminded that the information included in their proposals and any communications will be the basis for the evaluation and that they should consider the evaluation factors in this section carefully in preparing their proposals.

Section K and Excluded Parties Listing System (EPLS) – The Contracting Officer and Contract Specialist will review the completed Section K and EPLS to determine the business responsibility of the offeror.

Exception to SIR Terms and Conditions – The Contracting Officer will review any exceptions to the SIR terms and conditions that might affect the rights of the FAA

In conducting the evaluation, the FAA may use information provided by the offeror in its proposal as well as information obtained from other sources. While the FAA may elect to consider information and data obtained from other sources, the FAA is under no obligation to do so and the burden is on the offeror to provide a complete and thorough proposal. Missing proposal information or component(s) identified above and/or non-adherence to proposal format instructions provided in Section L of this SIR will be considered incomplete. As a result, the offeror may be eliminated from further consideration of award.

RATINGS & DESCRIPTIONS

Rating	Description
ACCEPTABLE:	The proposal meets all the minimum requirements in the solicitation identified as factors and subfactors within Volume I and Volume III. Only those proposals determined acceptable, either initially or as a result of communications, will be considered for award. Once deemed acceptable, all technical capability proposals are considered to be equal.
UNACCEPTABLE:	Fails to meet one or more the minimum requirements in the SIR identified as factors or subfactors within Volume I, and Volume III. Proposals with any unacceptable rating will not be considered for award.

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M.2.1 Evaluation Factors and Subfactors.

M.2.2 Part 1 - Volume I – Non-Price Evaluation Factor #1 (Business & Technical Management Questionnaire)

Determination of Technical Capability. The technical evaluation assesses the offeror's capability to satisfy the FAA's requirements. The SET will evaluate all completed Business & Technical Management Questionnaires received by the required date/time. Each technical capability sub-factor will receive a rating of acceptable, or unacceptable. If any factor or sub-factor is rated "unacceptable", the entire proposal is rendered technically unacceptable, and the proposal will be removed from the competition.

The following Factors and Sub-Factors prescribe the minimum standards that offerors must meet to be determined to be acceptable under each factor:

An Offeror who responds with answer "No" to any of the Business and Technical Management questions included in Section J Attachment II (Business and Technical Management Questionnaire), will not be considered for award. An Offeror who responds with answer "Yes" to all mandatory questions and provides sufficient detailed descriptions which reflects that their firm has established internal processes to execute all tasks associated with the Factors and Sub-Factors listed below, will be considered Acceptable and will move on to the next (Price Evaluation) evaluation stage.

Factor #1 Service/Delivery: The SET will evaluate an offeror's response and descriptions to the Sub-Factors as identified below, via the Business & Technical Management Questionnaire:

Sub-Factor 1 – IMPLEMENTATION PLAN / SCHEDULE: The SET will evaluate the Offeror's description of its "Implementation Plan" with respect to the extent that it demonstrates that the offeror can successfully implement this contract within 30 calendar days from contract award and begin registering users, and accepting orders from the FAA via the internet/web portal, electronic data interchange/email, fax, and telephone, provides ongoing training and instruction, and orderly transition, which minimizes impacts on continuity of operations, describes its effective approach for overcoming barriers, and identifies major tasks, milestones, and commitments.

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Sub-Factor 2 - RETURN PROCESS: The SET will evaluate the Offeror's description of its "Return Process" with respect to the extent that it demonstrates that the offeror can successfully execute a return process that meets the minimum standards for return or damaged goods as stated in Section C.4.5.10.

Sub-Factor 3 - LARGE ITEM DELIVERY: The SET will evaluate the Offeror's description of its "Return Process" with respect to the extent that it demonstrates compliance with the delivery terms for large items such as furniture, file cabinets, appliances, etc. as required in Section C.4.5.4 of the SOW.

Sub-Factor 4 - CONUS DELIVERY: The SET will evaluate the Offeror's description of its "CONUS Delivery Process" with respect to the extent that it demonstrates compliance with targeted delivery of FOB Destination to CONUS locations as in Section C.4.5.1 and Section C.4.5.2 of the SOW.

Sub-Factor 5 – OCONUS DELIVERY: The SET will evaluate the Offeror's description of its "OCONUS Delivery Process" with respect to the extent that it demonstrates the capability to provide delivery of FOB Origin to OCONUS locations as described in Section C.4.5.3 of the SOW.

Sub-Factor 6 - WEB PORTAL/INTERNET ORDERS: The SET will evaluate the Offeror's response to whether the firm commits to complying with the targeted requirements as stated in Section C.4.3.5 of the SOW, and the offeror's description of the firm's proposal to provide an internet based web portal with the characteristics stated therein. For testing purposes the SET will log on to the website address provided by the offeror, using a guest logon name, and password to non-restrictive custom website (beta site or available to any federal customer).

Sub-Factor 7 - BACK ORDERS: The SET will evaluate the Offeror's description of its "Back Order Process" with respect to the extent that it demonstrates compliance with targeted requirement for the firms to have in place a system that will notify customers of back-orders within 24 hours of order placement as required in Section C.4.5.8 in the SOW. *Note: Items are considered back-ordered when the actual delivery timeframe is/will exceed the promised delivery timeframe.*

Sub-Factor 8 – Reporting: The SET will evaluate the Offeror's response to whether the firm commits to complying with all terms and conditions specified in Section C.4.6.

Sub-Factor 9 – Continued Cost Savings : The SET will evaluate the Offeror's description of its "Continued Cost Savings Plan" with respect to the extent that it demonstrates the compliance with targeted requirement for firms to analyze

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spend and make recommendations to achieve additional cost savings as stated in Section C.4.6.2 of the SOW.

Factor #2 Quality Assurance Plan : The SET will evaluate an offeror's response and descriptions to the Sub-Factors as identified below, via the Business & Technical Management Questionnaire:

Sub-Factor 1 - INVENTORY: The SET will evaluate the Offeror's description of its "Inventory" with respect to the extent that it demonstrates compliance with targeted requirement for the firms to have in place a system to ensure adequate inventory levels in accordance with Section C.4.5.11 and mandatory product requirements as identified in Section C.4.2 of the SOW.

Sub-Factor 2 – EMAIL ORDERS: The SET will evaluate the Offeror's description of its "Email Order" process with respect to the extent that it demonstrates compliance with targeted requirement as stated in Section C.4.3.6.

Sub-Factor 3 - DISASTER RECOVERY PLAN: The SET will evaluate the Offeror's description of its "Disaster Recovery Plan" with respect to the extent that it demonstrates that the capability exists within the company to continue national operational functions in accordance with Section C.4.5.12 of the SOW, across a wide range of potential emergencies. At a minimum the objectives of this plan should include in order to be deemed acceptable:

- Ensuring the continuous performance of an company's essential functions/operations during an emergency;
- Protecting essential facilities, equipment, sensitive records, and other assets;
- Reducing or mitigating disruptions to operations;
- Reducing loss of life, minimizing damage and losses;
- Achieving a timely and orderly recovery from an emergency and resumption of full service to customers.

Factor #3 Past Performance: *Note: the Past Performance Factor and sub-factor, identified below, is defined by how well the offeror has performed within the past three years.* The Offeror will be evaluated on performance under existing and prior contracts for similar products or services. The SET will focus on information that demonstrates quality of performance relative to the size and complexity of the procurement under consideration. References other than those identified by the Offeror may be contacted by the FAA, with the information received used in the evaluation of the Offeror's past performance.

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Past Performance Sub-Factors:

Sub-Factor 1 Relevance: Similar Size, Scope, Complexity

Past Performance will be scored on an acceptable or unacceptable basis and will not be numerically scored. The offerors will demonstrate their experience through three (3) completed Past Performance Questionnaires. Offerors that do not provide three (3) similar successful Past Performance Questionnaires will be excluded from further consideration of award.

Sub-Factor 2 Successful Past Performance

Evaluation of past performance will be based on the below sub-factors. In order to be deemed Acceptable, offerors must receive acceptable ratings on of the following sub-factors which are listed on the Past Performance Questionnaire:

Quality - The assessment will be examined to determine the degree to which the Offeror met the acceptable levels of performance and service necessary to provide conformance to contract requirements.

Business Relations - The assessment will be examined to determine the degree to which the Offeror met the levels of cooperation and coordination conducive to establishing and maintaining relationships between customers and contractor.

Timeliness – The assessment will be examined to determine the degree to which the Offeror supplied product of service within the time frames identified/specified in the contract/scope of work.

Administration – The assessment will be examined to determine the degree to which the Offeror managed to comply with terms and conditions of the contract.

Only proposals deemed technically acceptable (either initially or as the result of clarification) will be considered for award. The ratings are defined in Section J – Attachment I.

To be eligible for award, an offeror must receive a rating of technically acceptable for all Business & Technical Capabilities factors and sub-factors.

M.3 Price Considerations

M.3.1 Part 2 -Volume II - Price Evaluation Factor (Price Proposal)

Pricing and Pricing Adjustments: FAA office supply contract pricing shall be divided into three (3) categories: (1) Core; (2) Non-Core/Category Discounts; (3) Ability-One/UNICOR mark-up.

- 1) Core/Market Basket: These are the top 500 spend items that represent approximately 60% of the FAA's annual office supply spend. Fixed prices are required for these items. Substitutions of equivalent products, with the exception of toner, are permitted and must be noted on the price worksheet. The FAA

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reserves the right to request product specifications to determine “equivalency”.

The aggregate FAA cost of these 500 core items is the sum of the expected annual demand multiplied by the quoted fixed prices. The aggregate FAA cost will be used in the final price evaluation. During the execution of this contract, prices shall be reviewed and adjusted annually. Items removed from the market basket (discontinued, obsolete, etc.) shall be replaced with like items at equivalent prices.

- 2) **Non-Core/Category Discounts:** These 500 items represent approximately 11% of the FAA’s annual office supply spend. Overall, non-core items represent approximately 34% of the FAA’s annual office supply spend. These items are categorized (toner, paper, general office supplies, furniture, and all other) and shall be discounted from the manufacturers’ list prices via a set category discount. The categories will apply to all non-core products. The category discounts shall remain fixed throughout the contract’s period of performance. Substitutions of equivalent products are permitted with the exception of toner. The FAA reserves the right to request product specifications to determine “equivalency”. The FAA’s cost of each item is the manufacturer’s list price less the percentage discount. **The aggregate FAA cost of these 500 non-core items is the sum of the expected annual demand multiplied by the quoted discounted prices. This aggregate FAA cost will be multiplied by a factor of 3.1 (34% / 11%) and used in the final price evaluation.**
- 3) **Ability-One and UNICOR:** These items are priced to the FAA at a percentage markup over the Ability-One and UNICOR committee prices. The markup percentage shall remain fixed over the life of the contract. Prices shall only change with changes in the Ability-One or UNICOR committee prices. Ability-One items account for approximately 6% of the FAA’s annual office supply spend. The FAA’s Ability-One pricing will be the committee price plus the offeror’s markup. **The aggregate FAA cost of these Ability-One items is the sum of the expected annual demand multiplied by the marked-up prices. The aggregate FAA cost will be used in the final price evaluation.**

The final offeror’s bid price is the sum of the 500 core, weighted aggregate 500 non-core, and all Ability-One items above.

The offeror’s price proposals will be evaluated, for award purposes, based upon the total price proposed for products as listed in Section J Attachment IV. The FAA will evaluate the offeror’s response to the Final Product Pricing list. The offeror must be financially viable and otherwise responsible in accordance with the FAA AMS guidelines. To be eligible for award, it must be determined that an offeror is financially capable of performing the magnitude and scope of the work, and not listed on the EPLS.

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The Contracting Officer is responsible for the determination of price reasonableness for the prime contract, including all subcontracting costs for the base and each option period. Therefore, the Offeror shall conduct appropriate cost or price analyses to establish the reasonableness of proposed subcontract prices **prior** to submission of the pricing proposal. Price reasonableness is a judgment of the proposed price as compared to competitive prices received, current market conditions, Independent Government Cost Estimates (IGCE), historical prices, certified cost or pricing data or information other than certified cost or pricing data, the application of the appropriate industry indices, value analysis and/or other relevant measures. The FAA may utilize any one or a combination of these techniques to ensure that prices are determined fair and reasonable.

NOTE: Prices on foreign products will be disadvantaged in accordance with the provisions of the Buy American Act (see Section I.4 clause 3.6.4-2 of the SIR). The burdened prices will be used for a determination of price reasonableness.

M.4 Volume III Subcontracting Plan

The Subcontracting plan will be evaluated as acceptable or unacceptable. If the plan is determined to be unacceptable, the Offeror will be given an opportunity to revise their original submission of the subcontracting plan during negotiations.

Acceptable – Offeror's identifies proposed sub-contracting goals consistent with commercial sub-contracting goals.

Unacceptable - Offeror fails to propose goals, or proposed goals consistent with commercial sub-contracting goals.

This factor is not applicable to small businesses, as defined by the SIR; therefore, all small and small disadvantaged businesses will receive an acceptable rating for this factor.

The Subcontracting plan will be evaluated based on the offeror's demonstrated commitment to assuring that small business concerns are provided the maximum practicable opportunity to participate in the SAVES program. The evaluation will consider the plausibility that the established subcontracting goals can be achieved.

To be eligible for award, an offeror must receive a rating of technically acceptable for the Business & Technical Capabilities sub-factors.

Final Evaluation/Selection Evaluation

Award will be made to the lowest priced, technically acceptable offeror, subject to a positive responsibility determination IAW AMS and conformance of the offeror's proposal to the terms and conditions of the solicitation. This part of the

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evaluation consists of Volume I, Volume II, and Volume III evaluation. At this stage the FAA may proceed to make an award based on the LPTA proposal. Or the FAA may decide to make a downselect determination, which will include only those offerors whose proposals receive an overall “Acceptable” rating, and are most likely to receive an award. Should a downselect determination be established, offerors may be requested to participate in further price proposal negotiations or participate in an online reverse auction.

End of Section M